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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF WYOMING**

In re:)	
)	
DENNIS MEYER DANZIK)	Case No. 17-20934
)	Chapter 11
)	
Debtor.)	

**UNITED STATES' MOTION FOR RELIEF FROM AUTOMATIC STAY AND
NOTICE OF TIME TO OBJECT**

The United States, by counsel, on behalf of its agency, the Internal Revenue Service (IRS), hereby files this motion for relief from the automatic stay to allow it to exercise any and all of its remedies to enforce a federal tax lien against real property owned by the Debtor. The grounds for this motion are the following:

1. IRS filed a proof of claim in this matter relating to federal taxes owed by the Debtor. The most recent amended proof of claim filed by IRS includes a secured claim in the amount of \$637,409.81. *See* Attachment A.
2. IRS filed notices of federal tax lien against the Debtor's property, including a notice filed in Park County, Wyoming, on September 6, 2017. That notice identifies an unpaid tax liability in the amount of \$557,237.85. *Id.*

3. Among other things, the federal tax lien attached to a residence owned by the Debtor and his wife which is located at 1334 Sunset Boulevard South, Cody, Wyoming (hereinafter the “real property”).

4. On May 1, 2017, Richard Rofé filed an action in state court to foreclose a mortgage on the real property. On November 2, 2017, Mr. Rofé filed an amended complaint in that action, naming the United States as a defendant.

5. After Mr. Rofé filed the First Amended Complaint, but before the United States was required to file a response to that complaint, Mr. Danzik filed his Chapter 11 petition in case 17-20934.

4. Mindful of the automatic stay¹, the United States filed with the state court a “Suggestion of Bankruptcy and Unopposed Motion for Order Staying Case and Extending the United States’ Response Period until Further Order of this Court.” The state court granted the motion, stayed the case, and extended the time period for the United States to respond to the First Amended Complaint, pending further order of that court. *See* Attachment 2.

5. On May 8, 2018, Mr. Rofé filed a motion for relief from stay in this Chapter 11 proceeding so that he could pursue the foreclosure action in state court. ECF 104. After the United States filed a response (seeking clarification of the scope of relief), ECF

¹The automatic stay terminated with respect to the Debtor on January 5, 2018. *See* 11 U.S.C. § 362(c)(3)(A); *Order Denying Debtor’s Request to Continue the Automatic Stay*, ECF No. 54, Feb. 2, 2018. According to the 10th Circuit Bankruptcy Appellate Panel, § 362(c)(3)(A) terminates the stay as to the debtor and the debtor’s property, but does not terminate the stay with respect to actions against property of the estate. *In re Holcomb*, 380 B.R. 813, 816 (10th Cir. BAP 2008).

120, Mr. Rofé submitted, and this Court entered, an unopposed order modifying the stay. ECF 145.

6. Because Mr. Rofé intends to proceed against the real property in the state court foreclosure action, the United States needs relief from the automatic stay to participate in the foreclosure action, protect its interests, and seek distribution of proceeds in accordance with the priorities established in that action.

7. Without stay relief, the United States' statutory lien interest in the real property is not adequately protected. The estimated value of the real property is \$1,190,000.00. *See* ECF 104-5. Mr. Rofé asserts that he has a superior lien interest in the amount of \$951,048.72 as of December 6, 2017. The property taxes are in arrears and interest is accruing on that obligation.

8. The United States is entitled to stay relief because its interest in the property is not adequately protected, the debtor has no equity in the property and the property is not necessary to an effective reorganization. 11 U.S.C. § 362(d).

For the foregoing reasons, the United States respectfully requests that the Court enter an order modifying the automatic stay and allowing the United States to enforce its lien interest against the real property.

Respectfully submitted this 27th day of June, 2018.

MARK A. KLAASSEN
United States Attorney
By: /s/ Nicholas Vassallo
NICHOLAS VASSALLO
Assistant United States Attorney

NOTICE OF TIME TO OBJECT

YOU ARE HEREBY NOTIFIED that if you desire to oppose this motion, you are required to file with this court and serve on counsel for the movant, whose address is shown above, a written objection to the motion on or before July 16, 2018, or the relief requested may be granted by the Court.

Dated this 27th day of June, 2018

MARK A. KLAASSEN
United States Attorney

By: /s/ Nicholas Vassallo
Assistant United States Attorney

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that a true and correct copy of the foregoing **United States' Motion for Relief from Automatic Stay and Notice of Time to Object** has been served upon the following by the method(s) indicated below on June 27, 2018:

Dennis Danzik
1108 14th St.
Cody, WY 82414

☐ By Facsimile
☒ By U.S. Mail - postage prepaid
☐ By Hand Delivery
☐ By Electronic Filing

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/s/ Janee Woodson
United States Attorney's Office